

**Garland County, Arkansas**

**Regulatory Basis Financial Statements  
and Other Reports**

**December 31, 2015**

LEGISLATIVE JOINT AUDITING COMMITTEE

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# Arkansas

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**Sen. Linda Chesterfield**  
Senate Vice Chair



**Rep. Mary Broadway**  
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House Vice Chair

**Roger A. Norman, JD, CPA, CFE, CFF**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

### INDEPENDENT AUDITOR'S REPORT

Garland County, Arkansas Officials and Quorum Court Members  
Legislative Joint Auditing Committee

#### **Report on the Financial Statements**

We have audited the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Garland County, Arkansas, as of and for the year ended December 31, 2015, and the related notes to the financial statements as listed in the table of contents.

#### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412, as described in Note 1, to meet the requirements permitted by the State of Arkansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles***

As described in Note 1 of the financial statements, the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements permitted by the State of Arkansas.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

#### ***Adverse Opinion on U.S. Generally Accepted Accounting Principles***

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to above do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of Garland County, Arkansas, as of December 31, 2015, or the revenues, expenditures, and changes in net position and, where applicable, cash flows thereof for the year then ended.

### ***Unmodified Opinions on Regulatory Basis of Accounting***

In our opinion, the financial statements referred to above present fairly, in all material respects, the regulatory basis financial position of the general fund, road fund, and other funds in the aggregate of Garland County, Arkansas, as of December 31, 2015, the regulatory basis revenues, expenditures, and changes in net position, and the budgetary comparisons for the general fund and road fund for the year then ended in accordance with the financial reporting provisions of Ark. Code Ann. § 10-4-412 described in Note 1.

### ***Other Matters***

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the accompanying regulatory basis financial statements. The accompanying supplementary information and other information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the regulatory basis financial statements as a whole on the basis of accounting described in Note 1.

The other information has not been subjected to the auditing procedures applied in the audit of the regulatory basis financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2016 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

ARKANSAS LEGISLATIVE AUDIT



Roger A. Norman, JD, CPA, CFE  
Legislative Auditor

Little Rock, Arkansas  
November 9, 2016  
LOCO2615

# Arkansas

**Sen. Jimmy Hickey, Jr.**  
Senate Chair  
**Sen. Linda Chesterfield**  
Senate Vice Chair



**Rep. Mary Broadaway**  
House Chair  
**Rep. Sue Scott**  
House Vice Chair

**Roger A. Norman, JD, CPA, CFE, CFF**  
Legislative Auditor

## LEGISLATIVE JOINT AUDITING COMMITTEE ARKANSAS LEGISLATIVE AUDIT

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING, COMPLIANCE AND OTHER MATTERS,  
AND OTHER ISSUES BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS

### INDEPENDENT AUDITOR'S REPORT

Garland County, Arkansas Officials and Quorum Court Members  
Legislative Joint Auditing Committee

We have audited in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the accompanying regulatory basis financial statements of the general fund, road fund, and other funds in the aggregate of Garland County, Arkansas, as of and for the year ended December 31, 2015, and the related notes to the financial statements, and have issued our report thereon dated November 9, 2016. We issued an adverse opinion because the financial statements are prepared by the County on the basis of the financial reporting provisions of Ark. Code Ann. § 10-4-412, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material. However, with respect to the regulatory basis of accounting described in Note 1, our opinions on the general fund, road fund, and other funds in the aggregate were unmodified.

#### Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency to be material a weakness:

2015-1 To ensure the proper safeguarding of assets, financial accounting duties relating to initiating, receipting, depositing, disbursing, and recording transactions should be distributed among appropriate employees. The County officials, as specified in the Other Issues section of this report, again did not segregate these duties to sufficiently reduce the risks of fraud or error and properly safeguard the County's assets, because of limited financial resources. We recommend that the financial accounting duties in each office be segregated among employees to the extent possible.

The County officials, as specified in the Other Issues section of this report, responded and indicated that their offices will segregate the duties relating to initiating, receipting, depositing, disbursing, and recording transactions to the extent possible with the current staffing levels.

#### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of the state constitution, laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Entity's Response to Finding

The County's response to the finding identified in our audit is described above. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### Other Issues

The following issue is not a significant deficiency, material weakness, or material instance of noncompliance, but is an issue that is presented to assist in the efficient operation of the County.

The commentary contained in this section relates to the following officials that held office during 2015:

County Judge: Rick Davis  
Treasurer: Tim Stockdale  
Sheriff: Mike McCormick  
Tax Collector: Rebecca Dodd-Talbert  
County Clerk: Sarah Smith  
Circuit Clerk: Jeannie Pike  
Assessor: Shannon Sharp  
County Librarian: John Wells

Our audit procedures indicated that the offices of **Treasurer, Sheriff, Tax Collector, County Clerk, Circuit Clerk, Assessor, and County Librarian** were in substantial compliance with Arkansas fiscal and financial laws. Noncompliance with state law and accepted accounting practices was noted in the office of **County Judge**.

### **County Judge**

The County discovered, and we verified, unauthorized purchases that were charged to a credit card maintained by the County Judge's office during the period September 19, 2012 through May 25, 2016. These purchases, totaling \$346,612, consisted of 3,683 credit card charges, which appear to have been made by the Administrative Assistant, Kristi Goss, for the following:

- \$163,991 in undocumented online purchases, primarily from Amazon.
- \$73,234 in gift cards.
- \$66,548 for personal utilities.
- \$11,540 for personal vehicle insurance.
- \$7,590 for personal vehicle loan payments.
- \$3,497 for event tickets and online movies.
- \$3,344 for student meals and other school-related expenses.
- \$3,288 for personal clothing, jewelry, and cosmetics.
- \$2,758 for food/meals.
- \$2,035 for property taxes.
- \$1,817 for household items.
- \$1,109 for pet-related expenses.
- \$1,032 for online search/background report fees.
- \$926 added to an online financial account.
- \$897 for cell phone accessories/apps.
- \$834 for toys/games.
- \$813 for court fines.
- \$537 for medical bills and equipment.
- \$362 for parts and fuel for personal vehicle.
- \$317 for flowers, cards, gifts, and party supplies.
- \$143 for other personal items.

Goss prepared the claims for payment on the County's credit card account and was responsible for attaching invoices to document the payments. While the County Judge or his designee approved the claims, it appears that these claims were falsified, and several invoices were altered to conceal the improper purchases.

As soon as the County became aware of the problem, the credit card was cancelled, and Arkansas Legislative Audit and other authorities were notified. Goss, whose employment was terminated on June 3, 2016, was charged with six counts of fraudulent use of a credit card on October 24, 2016.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. However, pursuant to Ark. Code Ann. § 10-4-417, all reports presented to the Legislative Joint Auditing Committee are matters of public record and distribution is not limited.

ARKANSAS LEGISLATIVE AUDIT

A handwritten signature in black ink that reads "Marti Steel". The signature is written in a cursive, flowing style.

Marti Steel, CPA  
Deputy Legislative Auditor

Little Rock, Arkansas  
November 9, 2016

GARLAND COUNTY, ARKANSAS  
BALANCE SHEET - REGULATORY BASIS  
DECEMBER 31, 2015

Exhibit A

	General	Road	Other Funds in the Aggregate
<b>ASSETS</b>			
Cash and cash equivalents	\$ 16,975,600	\$ 3,913,699	\$ 32,176,121
Accounts receivable	1,015,276	329,677	2,697,882
Interfund receivables	48,017		
TOTAL ASSETS	\$ 18,038,893	\$ 4,243,376	\$ 34,874,003
 <b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 411,424	\$ 129,425	\$ 1,123,666
Interfund payables			48,017
Settlements pending			2,221,928
Total Liabilities	411,424	129,425	3,393,611
Fund Balances:			
Restricted		4,113,951	30,914,919
Committed			565,473
Assigned	4,175		
Unassigned	17,623,294		
Total Fund Balances	17,627,469	4,113,951	31,480,392
TOTAL LIABILITIES AND FUND BALANCES	\$ 18,038,893	\$ 4,243,376	\$ 34,874,003

The accompanying notes are an integral part of these financial statements.



GARLAND COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

Exhibit B

	General	Road	Other Funds in the Aggregate
REVENUES			
State aid	\$ 529,313	\$ 3,611,746	\$ 1,132,427
Federal aid	163,771	479,298	148,464
Property taxes	859,018	1,571,756	2,395,830
Sales taxes	6,915,652		16,769,652
Fines, forfeitures, and costs	113,796	3,892	1,115,096
Interest	71,187	16,377	71,590
Officers' fees	206,154		839,788
Sanitation fees			8,020,791
Commissary sales			244,213
Donations			65,143
911 fees			876,807
Jail fees	693,500		19,981
Franchise fees	148,517		
Insurance premiums collected	108,097		
Oaklawn fees	553,328		
Treasurer's commission	919,656		91,965
Collector's commission	2,001,088		279,831
Taxes apportioned - Assessor's salary and expense	970,169		
Other	1,544,613	63,085	555,731
<b>TOTAL REVENUES</b>	<b>15,797,859</b>	<b>5,746,154</b>	<b>32,627,309</b>
Less: Treasurer's commission	56,153	15,853	108,296
<b>NET REVENUES</b>	<b>15,741,706</b>	<b>5,730,301</b>	<b>32,519,013</b>
EXPENDITURES			
Current:			
General government	4,406,102		1,952,905
Law enforcement	7,027,638		10,924,383
Highways and streets		5,495,897	
Public safety	69,330		743,982
Sanitation			8,070,629
Health	89,500		
Recreation and culture			3,162,786
Social services	127,241		
Total Current	11,719,811	5,495,897	24,854,685
Debt Service:			
Bond principal			11,335,000
Bond interest and other charges			692,924
<b>TOTAL EXPENDITURES</b>	<b>11,719,811</b>	<b>5,495,897</b>	<b>36,882,609</b>

GARLAND COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

Exhibit B

	<u>General</u>	<u>Road</u>	<u>Other Funds in the Aggregate</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>\$ 4,021,895</u>	<u>\$ 234,404</u>	<u>\$ (4,363,596)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	880,261		2,345,813
Transfers out	(605,268)		(2,620,806)
Bond proceeds			1,615,000
Bond premium			29,326
Sales taxes remitted by municipalities			<u>2,471,834</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>274,993</u>		<u>3,841,167</u>
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	<u>4,296,888</u>	<u>234,404</u>	<u>(522,429)</u>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	13,459,573	3,941,939	31,944,064
Restatement adjustment (Note 12)	<u>(128,992)</u>	<u>(62,392)</u>	<u>58,757</u>
FUND BALANCES - JANUARY 1, AS RESTATED	<u>13,330,581</u>	<u>3,879,547</u>	<u>32,002,821</u>
FUND BALANCES - DECEMBER 31	<u><u>\$ 17,627,469</u></u>	<u><u>\$ 4,113,951</u></u>	<u><u>\$ 31,480,392</u></u>

The accompanying notes are an integral part of these financial statements.

GARLAND COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES						
State aid	\$ 355,290	\$ 529,313	\$ 174,023	\$ 3,630,893	\$ 3,611,746	\$ (19,147)
Federal aid	138,929	163,771	24,842	381,787	479,298	97,511
Property taxes	2,538,870	859,018	(1,679,852)	1,604,395	1,571,756	(32,639)
Sales taxes	6,453,262	6,915,652	462,390			
Fines, forfeitures, and costs	88,647	113,796	25,149	15,000	3,892	(11,108)
Interest	5,790	71,187	65,397	3,017	16,377	13,360
Officers' fees	199,674	206,154	6,480			
Jail fees	692,643	693,500	857			
Franchise fees	164,755	148,517	(16,238)			
Insurance premiums collected	144,000	108,097	(35,903)			
Oaklawn fees		553,328	553,328			
Treasurer's commission	117,025	919,656	802,631			
Collector's commission	560,491	2,001,088	1,440,597			
Taxes apportioned - Assessor's salary and expense	1,078,216	970,169	(108,047)			
Other	1,990,630	1,544,613	(446,017)	115,255	63,085	(52,170)
<b>TOTAL REVENUES</b>	<b>14,528,222</b>	<b>15,797,859</b>	<b>1,269,637</b>	<b>5,750,347</b>	<b>5,746,154</b>	<b>(4,193)</b>
Less: Treasurer's commission		56,153	(56,153)		15,853	(15,853)
<b>NET REVENUES</b>	<b>14,528,222</b>	<b>15,741,706</b>	<b>1,213,484</b>	<b>5,750,347</b>	<b>5,730,301</b>	<b>(20,046)</b>
EXPENDITURES						
Current:						
General government	4,646,622	4,406,102	240,520			
Law enforcement	7,446,790	7,027,638	419,152			
Highways and streets				6,365,823	5,495,897	869,926
Public safety	200,043	69,330	130,713			
Health	92,500	89,500	3,000			
Social services	129,267	127,241	2,026			
<b>TOTAL EXPENDITURES</b>	<b>12,515,222</b>	<b>11,719,811</b>	<b>795,411</b>	<b>6,365,823</b>	<b>5,495,897</b>	<b>869,926</b>

GARLAND COUNTY, ARKANSAS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL - GENERAL AND ROAD FUNDS - REGULATORY BASIS  
FOR THE YEAR ENDED DECEMBER 31, 2015

Exhibit C

	General			Road		
	Budget	Actual	Variance Favorable (Unfavorable)	Budget	Actual	Variance Favorable (Unfavorable)
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	\$ 2,013,000	\$ 4,021,895	\$ 2,008,895	\$ (615,476)	\$ 234,404	\$ 849,880
OTHER FINANCING SOURCES (USES)						
Transfers in	1,007,598	880,261	(127,337)			
Transfers out	(2,144,249)	(605,268)	1,538,981			
TOTAL OTHER FINANCING SOURCES (USES)	(1,136,651)	274,993	1,411,644			
EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES	876,349	4,296,888	3,420,539	(615,476)	234,404	849,880
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	996,901	13,459,573	12,462,672	2,000,000	3,941,939	1,941,939
Restatement adjustment (Note 12)		(128,992)	(128,992)		(62,392)	(62,392)
FUND BALANCES - JANUARY 1, AS RESTATED	996,901	13,330,581	12,333,680	2,000,000	3,879,547	1,879,547
FUND BALANCES - DECEMBER 31	<u>\$ 1,873,250</u>	<u>\$ 17,627,469</u>	<u>\$ 15,754,219</u>	<u>\$ 1,384,524</u>	<u>\$ 4,113,951</u>	<u>\$ 2,729,427</u>

The accompanying notes are an integral part of these financial statements.

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 1: Summary of Significant Accounting Policies**

**A. Financial Reporting Entity**

The County is a political subdivision of the state governed by an elected quorum court. The reporting entity includes all the funds of the County.

**B. Basis of Presentation - Regulatory Fund Accounting**

The financial statements are presented in accordance with the regulatory basis of presentation as prescribed or permitted by Ark. Code Ann. § 10-4-412. The law requires that the financial statements be presented on a fund basis with, as a minimum, the general fund and road fund presented separately with all other funds included in the financial statements presented in the aggregate. This law also stipulates that the financial statements consist of a balance sheet; a statement of revenues, expenditures, and changes in fund balances; a comparison of the final adopted budget to actual expenditures for the general and road funds; notes to financial statements; and a supplemental schedule of capital assets.

A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with related liabilities and residual balances, and changes therein, which are segregated for purposes of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The following types of funds are recognized in the accompanying regulatory basis financial statements.

**General Fund** - The General Fund is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund heading as it appears in the financial statements includes the following accounts: County General and the Ouachita Memorial Hospital Sale.

**Road Fund** - The Road Fund (Special Revenue Fund) is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The Road Fund accounts for and reports proceeds of state highway turnback, property taxes, federal aid, and fines, forfeitures, and costs that are restricted or committed for maintaining and constructing roads.

**Other Funds in the Aggregate** - Other Funds in the Aggregate consist of all funds included in the financial statements except for the General and Road Funds. The following types of funds are included in this column as follows:

**Special Revenue Funds** - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following Special Revenue Funds are reported with other funds in the aggregate: Treasurer's Automation, Collector's Automation, Court Automation, Assessor's Amendment no. 79, County Clerk's Cost, County Recorder's Cost, Solid Waste, Assessor's Reappraisal Cost, Support Collection Costs, Arkansas Game and Fish, Breathalyzer, Garland County Detention Center Maintenance and Operations, Boating Safety, Federal Forest Reserve Title III, Rescue/Emergency Response/Law Enforcement Vehicle, Public Defender, Case Coordinator, Adult Drug Court, Circuit Court Juvenile Division, Voting Systems Grant, Circuit Clerk Commissioner's Fee, Detention Facility, Water System, Court Cost, 911 Emergency, Sheriff's Commissary, Court Security Grant, Juvenile Detention Grant in Aid, Boys and Girls Club of Hot Springs Grant, J.C., Inc. dba Hot Springs Packing Company, Arkansas Alternative Dispute Resolution Grant, County Court Room Grant, Juvenile Assistance Grant (JAG) Fund FY-13, Drug Task Force – Investigator Grant, Hazard Mitigation Assistance Grant, Arkansas Drug Courts Capacity Building Project Grant, Juvenile Detention Grant – Title II, Juvenile Detention Grant – Title V, 2014 Community Garden of Heroes – Title V Grant, Justice Assistance Grant (JAG) FY-15, State Homeland Security Grant Program FY-14, Juvenile Detention Grant – Title II FY-16, Juvenile Detention Grant in Aid FY-16, Victims of Crime Act (VOCA) Program Grant, State Homeland Security Grant Program FY-15, Justice Assistance Grant (JAG) FY-15, Library Operations and Maintenance, Library First Asset and Investment, Library Non-Tax, Law Library, and Communication Facility and Equipment.

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**B. Basis of Presentation - Regulatory Fund Accounting (Continued)**

**Other Funds in the Aggregate (Continued)**

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlay, including the acquisition or construction of capital facilities and other capital assets (other than those financed by Enterprise Funds). The following Capital Projects Fund is reported with other funds in the aggregate: Detention Facilities Construction.

Debt Service Funds - Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The following Debt Service Funds are reported with other funds in the aggregate: Court Costs and Fine, 2008 Capital Improvement Revenue Bond, 2011 Sales and Use Tax Bond, and 2015 Capital Improvement Refunding Revenue Bond.

Agency Funds - Agency Funds are used to report resources held by the reporting government in a purely custodial capacity (assets equal liabilities). The following Agency Funds are reported with other funds in the aggregate: Treasurer (Law Library, Interest, Unclaimed Property, Escheat Property, City Accounts, and Improvement Districts); Tax Collector (Delinquent Real, Delinquent Personal, Bankruptcy, Mixed Drink, and Solid Waste House-to-House); Sheriff (Fines, Circuit Court Cost Bills, Fees, Petty Cash, Miscellaneous, and Inmate Commissary); County Clerk (Fee and Trust); Circuit Clerk (Fee, Trust, and Indigent Attorney); County Judge (Landfill).

**C. Basis of Accounting**

The financial statements are prepared on the regulatory basis of accounting as prescribed or permitted by Ark. Code Ann. § 10-4-412. This regulatory basis differs from accounting principles generally accepted in the United States of America. Revenues generally are recognized as soon as they are both measurable and available except for Treasurer's and Collector's commission and Taxes apportioned – Assessor's salary and expense which are recognized when earned. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current period. However, most state aid received from the State Treasury is by state law revenue of the year in which it was received by the government. Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. As a result of the use of this regulatory basis of accounting, capital assets and long-term debt are not recorded in these financial statements.

**D. Assets, Liabilities, and Fund Balances**

**Cash and Cash Equivalents**

For the purpose of financial reporting, "cash and cash equivalents" includes all demand and savings accounts, certificates of deposit, and treasury bills.

**Settlements Pending**

Settlements pending are considered fines, forfeitures, costs, officer's fees, solid waste fees, landfill fees, trust, and property taxes that have not been transferred to the appropriate entities.

**Fund Balance Classifications**

1. Restricted fund balance – amounts that are restricted when constraints placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**D. Assets, Liabilities, and Fund Balances (Continued)**

Fund Balance Classifications (Continued)

2. Committed fund balance – amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the Quorum Court.
3. Assigned fund balance – amounts that are constrained by the Quorum Court’s intent to be used for specific purposes, but are neither restricted nor committed.
4. Unassigned fund balance – amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned to specific purposes within the general fund. This classification may also include negative amounts in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

**E. Property Taxes**

A lien attaches to the real property in January and on personal property in June of each year. Property taxes are collectible beginning the first business day of March of the subsequent year, but are not considered delinquent until after October 15.

**F. Budget Law**

1. Legal Requirements

State law requires that the Quorum Court, before the end of each fiscal year, make appropriations, by ordinance, for the expenditures of County government for the following year. The Quorum Court may make appropriation amendments at any time during the current fiscal year. Appropriations lapse at the end of each year. Under certain conditions, the budget may be amended subsequent to the year-end.

2. Accounting

The County prepared an annual budget on the regulatory basis for the General Fund, Road Fund, and the other operating funds.

**G. Fund Balance Classification Policies and Procedures**

The County’s highest level of decision-making authority is its Quorum Court. The establishment of amounts classified as committed fund balances and any subsequent modifications to such balances are the result of formal action taken by the Quorum Court through passage of an ordinance. The Quorum Court is authorized to assign amounts to a specific purpose, although a formal policy has not been established.

The County does not have a policy addressing whether it considers restricted or unrestricted amounts to have been spent when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. For classification of fund balance amounts, restricted resources are considered spent before unrestricted. The County does not have a policy addressing which resources to use within the unrestricted fund balance when committed, assigned, or unassigned fund balances are available. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, committed amounts are reduced first, followed by assigned amounts, and then unassigned amounts.

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 2: Cash Deposits with Financial Institutions**

Cash deposits are carried at cost (carrying value). A comparison of the bank balance and carrying value is as follows:

	Carrying Amount	Bank Balance
Insured (FDIC)	\$ 2,688,803	\$ 2,684,777
Collateralized:		
Collateral held by the County's agent, pledging bank, or pledging bank's trust department or agent in the County's name	40,323,234	40,599,430
U.S. government guaranteed accounts	10,048,446	10,048,446
Total Deposits	\$ 53,060,483	\$ 53,332,653

The above total deposits do not include cash on hand of \$4,937.

Custodial credit risk is the risk that in the event of a bank failure, the County's money may not be returned to it. As of December 31, 2015, none of the County's bank balances were exposed to custodial credit risk.

**NOTE 3: Legal or Contractual Provisions for Deposits and Investments**

State law generally requires that county funds be deposited in federally insured banks located in the State of Arkansas. The county deposits may be in the form of checking accounts, savings accounts, and time deposits. Public funds may be invested in eligible investment securities having a maturity of not longer than 5 years from the date of acquisition unless, as documented at the time of acquisition, the investment is to fund or support a specific purpose and there are no expectations that the investment will be sold before maturity; an Arkansas bank certificate of deposit; an account established by a local government joint investment trust; or an Arkansas financial institution repurchase agreement for eligible investment securities in which the seller agrees to repurchase the investment at a price including interest earned during the holding period as determined by the repurchase agreement.

**NOTE 4: Accounts Receivable**

The accounts receivable balance at December 31, 2015, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
State aid	\$ 43,362	\$ 268,860	\$ 18,218
Federal aid	2,218		
Sales taxes	539,730		1,308,310
Fines, forfeitures, and costs	22,260		64,907
Interest	68		80
Officer's fees	19,687		75,429
Sanitation fees			369,591
911 fees			28,147
Jail fees	24,246		
Franchise fees	36,270		
Collector's commission			279,831
Other	160,263	13,620	33,391
Sales taxes remitted by municipalities			197,569
Treasurer's commission charged	167,172	47,197	322,409
Totals	\$ 1,015,276	\$ 329,677	\$ 2,697,882



GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 5: Accounts Payable**

The accounts payable balance at December 31, 2015, is composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Vendor payables	\$ 411,424	\$ 129,425	\$ 1,123,666

**NOTE 6: Interfund Balances**

Individual fund interfund receivable and payable balances are as follows:

Fund	December 31, 2015	
	Interfund Receivables	Interfund Payables
General	\$ 48,017	
Other Funds in the Aggregate:		
Special Revenue:		
911 Emergency		\$ 48,017
Totals	\$ 48,017	\$ 48,017

Interfund receivables and payables consist of salary reimbursements. This balance was repaid in January 2016.

**NOTE 7: Legal Debt Limit**

A. Property Tax Secured Bonded Debt

The County is subject to a constitutional limitation for bonded indebtedness equal to 10% of the total assessed value for tax purposes of real and personal property as determined by the last tax assessment. At December 31, 2015, the legal debt limit for bonded debt was \$173,966,881. There were no property tax secured bond issues.

B. Short-term Financing Obligations

The County is subject to a constitutional limitation for short-term financing obligations equal to 2.5% of the assessed value of taxable property within the County as determined by the last tax assessment. At December 31, 2015, the legal debt limit for short-term financing obligations was \$44,741,199. There were no short-term financing obligations.

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 8: Details of Fund Balance Classifications**

Fund balance classifications at December 31, 2015, are composed of the following:

Description	General Fund	Road Fund	Other Funds in the Aggregate
Fund Balances:			
Restricted for:			
General government			\$ 1,254,086
Law enforcement			6,304,222
Highways and streets		\$ 4,113,951	
Public safety			1,267,489
Debt service			10,981,213
Capital outlay			147,096
Recreation and culture			6,274,941
Sanitation			4,685,872
Total Restricted		4,113,951	30,914,919
Committed for:			
General government			134,971
Law enforcement			320,409
Public safety			110,093
Total Committed			565,473
Assigned to:			
General government	\$ 2,400		
Law enforcement	1,050		
Sanitation	725		
Total Assigned	4,175		
Unassigned	17,623,294		
Totals	\$ 17,627,469	\$ 4,113,951	\$ 31,480,392

**NOTE 9: Commitments**

Total commitments consist of the following at December 31, 2015:

	December 31, 2015
Long-term liabilities	\$ 19,766,997
Noncancellable lease	309,454
Reappraisal contract	1,476,000
Total Commitments	\$ 21,552,451

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 9: Commitments (Continued)**

Long-term Liabilities

Long-term liabilities at December 31, 2015, are comprised of the following:

	December 31, 2015
Sales and Use Tax Bonds, Series 2011, for the purpose of financing the costs of capital improvements; annual installments of \$3,735,000 to \$6,690,000 due on March 1 beginning in 2013 through March 2019; interest at 3% to 4% due September 1 and March 1 beginning September 2012. Payments are to be made from the 2011 Sales and Use Tax Bond Fund.	\$ 17,280,542
Capital Improvement Refunding Revenue Bonds, Series 2015, for the purpose of refunding Capital Improvement Refunding Revenue Bonds, Series 2008; annual installments of \$220,000 to \$245,000 due May 1 beginning in 2016 through May 2022; interest rate of 2% to 2.25% due May 1 and November 1 beginning November 2015. Payments are to be made from the 2015 Capital Improvement Refunding Revenue Bond Fund.	1,615,000
Compensated Absences	838,912
Landfill Closure and Postclosure Care Costs	32,543
Total Long-term liabilities	\$ 19,766,997

Due to the County's regulatory basis of accounting, these liabilities are not recorded in the financial statements.

Post Employment Benefits Other Than Pensions

The amount of any actuarially determined accrued liability for post employment benefits other than pensions was not determined.

Debt Service Requirements to Maturity

The County is obligated for the following amounts at December 31, 2015:

Years Ending December 31,	Bonds
2016	\$ 6,973,520
2017	7,028,063
2018	5,158,116
2019	247,212
2020	247,562
2021 through 2022	490,619
Total Obligations	20,145,092
Less Interest	1,249,550
Total Principal	\$ 18,895,542

GARLAND COUNTY, ARKANSAS  
 NOTES TO FINANCIAL STATEMENTS  
 DECEMBER 31, 2015

**NOTE 9: Commitments (Continued)**

Landfill Closure and Postclosure Care Costs

Garland County is the owner of permit # 0300-S4 to operate a Class IV solid waste landfill. State and federal regulations require a final cover to be placed on the landfill site when it stops accepting waste and the performance of certain maintenance and monitoring functions at the site for two years after the closure. Although closure and postclosure care costs will be paid only near or after the date the landfill stops accepting waste, a portion of these closure and postclosure care costs are being recognized as a commitment each year based on landfill capacity used as of the balance sheet date. The estimated liability for the landfill closure and postclosure care costs has a balance of \$32,543 as of December 31, 2015, which is based on 10% usage of the landfill. The County will recognize the remaining estimated closure and postclosure care costs of \$304,109 as the remaining estimated capacity is filled. At the present utilization rate, the landfill site has an estimated life expectancy of 73 years.

Estimated costs are based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of December 31, 2015. However, the actual cost of closure and postclosure care may be higher due to inflation, changes in technology, or changes in landfill laws and regulations.

In accordance with Arkansas Department of Environmental Quality (ADEQ) Regulation 22, Chapter 14, Garland County has elected to use the Local Governmental Financial Test to demonstrate financial assurance for closure and postclosure care costs. A copy of the financial assurance obligation can be obtained from ADEQ as approved on February 17, 2016.

Noncancellable Lease

The County entered into a noncancellable lease agreement for copy machines, printers, and postage machines. At the end of the lease term, the County may purchase the equipment at fair market value. The County is obligated for the following amounts for the next five years:

Year	December 31, 2015
2016	\$ 92,292
2017	82,405
2018	74,305
2019	45,439
2020	14,731
2021	282
Total	<u>\$ 309,454</u>

Rental expense for 2015 was \$82,388.

Reappraisal Contract

The County entered into a contract dated December 27, 2012, with Arkansas CAMA Technology, Inc., for reappraisal services. Terms of the contract required \$3,690,000 to be paid in 60 monthly installments with the first invoice dated February 1, 2013. The County is obligated for the following amounts:

Year	December 31, 2015
2016	\$ 738,000
2017	738,000
Total	<u>\$ 1,476,000</u>

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 10: Debt Refunding**

On April 14, 2015, the County issued \$1,615,000 of Capital Improvement Refunding Revenue Bonds with interest rates from 2.0 to 2.25 percent. Bond proceeds of \$1,615,000 along with a bond premium of \$29,326 were deposited into the 2015 Capital Improvement Refunding Revenue Bonds Fund. Bond proceeds of \$1,465,488, along with debt service reserves of \$340,082, were used to advance refund \$1,775,000 of outstanding bonds dated May 1, 2008, with interest rates of 2.75 to 4.10 percent. The remaining proceeds of \$131,543 (after payment of \$47,295 of bond issuance costs) will be used for a debt service reserve. The 2008 bonds final principal payment was made on April 14, 2015.

**NOTE 11: Interfund Transfers**

The General Fund transferred \$605,268 to Other Funds in the Aggregate to supplement operations. The Other Funds in the Aggregate transferred \$880,261 to the General Fund for reimbursement of expenditures. Within Other Funds in the Aggregate \$1,740,545 was transferred to supplement operations and correct errors.

**NOTE 12: Prior Year Restatement**

The beginning fund balances for the General Fund, Road Fund, and Other Funds in the Aggregate were restated in the amounts of (\$128,992), (\$62,392), and \$58,757, respectively, for the correction of prior year errors.

**NOTE 13: Subsequent Events**

On November 1, 2016, the County issued \$54,695,000 of Sales and Use Tax Bonds with interest rates ranging from 1.3 to 2.5 percent. The bond proceeds will be used to finance all or a portion of the costs of new and improvements to existing roads, streets, and related structures; particularly the project known as Martin Luther King Bypass extension.

**NOTE 14: Pledged Revenues**

Fine and Court Costs

The County has pledged fines and court costs collected by or through the Hot Springs District Court for the use of the court building to repay \$1,615,000 in bonds that were issued in 2015 for the purpose of refunding the 2008 Capital Improvement Refunding Revenue Bonds. Total principal and interest remaining on the bonds are \$1,615,000 and \$119,131, respectively, payable through May 1, 2022. For 2015, interest paid was \$18,010.

The Debt Service Fund received \$699,586 of pledged revenues and transferred \$43,894, \$170,478, and \$542,218, respectively, to the 2008 Capital Improvement Revenue Bond Debt Fund, 2015 Capital Improvement Refunding Revenue Bond Fund, and General Fund, respectively. Pledged revenues received in excess of the debt service requirements for the 2015 bond issue may be used for other county expenditures.

Sales and Use Taxes

The County has pledged future .625% sales and use taxes to repay \$41,240,000 in sales and use tax bonds that were issued in 2011 to provide funding for the costs of acquiring, constructing, equipping, and furnishing new and improvements to existing detention facilities, including particularly, without limitation, a new jail and any necessary land acquisition and utility, road, and parking improvements. Total principal and interest remaining on the bonds are \$17,280,542 and \$1,130,419, respectively, payable through March 1, 2018. For 2015, principal and interest paid were \$9,560,000 and \$640,276 respectively.

The Debt Service Fund received \$10,966,178 of sales taxes in 2015. Any sales taxes collected in excess of debt service payments on these bonds are to be held in the Bond Debt Service Fund to be used to retire the bond.

**NOTE 15: Related Party Transactions**

- A. The County paid \$99,990 to Hope Construction Company for mowing services in 2015. Hope Construction is owned by County employee Debra Hope's husband. Garland County Ordinance no. O-07-10 (April 9, 2007) allows the County to conduct business with this related party.

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 15: Related Party Transactions (Continued)**

- B. The County paid \$24,747 to Ray Owen, Quorum Court member, for rental of office space in 2015. Garland County Ordinance no. O-01-7 (February 13, 2001) allows the County to conduct business with this related party.
- C. The County paid \$4,309 to Graphics by Design for website maintenance services in 2015. Graphics by Design is owned by Garland County Sheriff's employee James Martin and Garland County Finance Department's employee Lanie Martin. Garland County Ordinance no. O-06-53 (November 27, 2006) allows the County to conduct business with this related party.
- D. The County paid \$1,060 to Freddie Wilson, Jr., Garland County Solid Waste employee, for professional services at the Garland County Detention Center in 2015. Garland County Ordinance no. O-15-19 (April 13, 2015) allows the County to conduct business with this related party.

**NOTE 16: Joint Venture - Eighteenth Judicial District (East) Drug Task Force**

The Sheriff of Garland County, the City of Hot Springs Police Chief, and the Prosecuting Attorney of the Eighteenth Judicial District (East) entered into an agreement to establish the Eighteenth Judicial District (East) Drug Task Force. Funding is provided through federal and state grants in addition to contributions from participating entities. Equal shares of matching funds are provided by Garland County and the City of Hot Springs. In 2015, Garland County contributed \$30,000 to the Eighteenth Judicial District (East) Drug Task Force. Separate financial statements for the Eighteenth Judicial District (East) Drug Task Force are not available.

**NOTE 17: Jointly Governed Organization – Southwest Central Regional Solid Waste Management District**

Pursuant to Act 752 of the Acts of Arkansas of 1991, the Southwest Central Regional Solid Waste Management District and Board were organized to protect public health and environmental quality for its service area by establishing a regional solid waste management system in Arkansas Counties of Clark, Garland, and Hot Spring. The District's board of directors is composed in accordance with the requirements of the Act and is comprised of representatives of the counties in the District and representatives of all first class cities, of all cities with a population over 2,000, and of the largest city of each county in the District. The County made no contributions to or disbursements on behalf of the Southwest Central Regional Solid Waste Management District in 2015. All financial transactions are between the Southwest Central Regional Solid Waste Management District and the Hot Spring County Solid Waste Authority, Inc. Separate financial statements of the Southwest Central Regional Solid Waste Management District are available at 1000 Central Avenue, Hot Springs, AR, 71903.

**NOTE 18: Risk Management**

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. These risks are covered by commercial insurance purchased from independent third parties and participation in a public entity risk pool. The amount of settlements, if any, has not exceeded the insurance coverage for each of the past three years. There were no significant reductions in insurance coverage in the major categories of risk from coverage in the prior year.

The County participates in the Association of Arkansas Counties Program (public entity risk pools) for coverage in the following areas:

Workers' Compensation - This program provides statutory benefits for losses incurred by County officials, employees, and volunteer fire fighters while performing work for the County. Rates for counties participating in this program are revised annually based on the cost experience of the particular county or group as determined by the Workers' Compensation Commission.

The County participates in the Arkansas Public Entities Risk Management Association (APERMA) public entity risk pool for coverage in the following areas:

Building and Contents Program - This program is a blanket policy with coverage up to \$100,000,000 for any one loss with a \$500 deductible. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county property.

GARLAND COUNTY, ARKANSAS  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2015

**NOTE 18: Risk Management (Continued)**

Vehicle Program

- A. Liability - This program may pay all sums the County legally must pay as damages because of bodily injury, death, or property damage to which this agreement applies involving a covered county vehicle and for which the County is liable. The limit of payment for in-state claims is \$25,000 for bodily injury per person, \$50,000 for bodily injury per accident, and \$25,000 for property damage per accident (\$100,000 respectively for out-of-state claims). The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for covered county vehicles owned or leased by the County.
  
- B. Physical Damage - This program covers vehicles and mobile equipment which are the property of the participating county. Property is valued at the cost to repair or replace the property after deduction for depreciation. Loss amounts will be reduced by the deductible amount of \$1,000 for Sheriff's Department vehicles and \$500 for all other covered vehicles and mobile equipment. The County agrees to pay into the program each year a service charge established annually by the Risk Management Fund Board for covered property.

General Liability Program - The program shall provide legal defense in civil rights suits against the county government of a participating county and pay judgments imposed on County officials and employees and the county government and county-formed boards and commissions. Coverage is limited to \$350,000 per case with an annual aggregate of \$350,000. The County shall pay into the program each year a charge established annually by the Risk Management Fund Board for this coverage.

The County also participates in the Self-Insured Fidelity Bond Program administered by the Governmental Bonding Board. This program covers actual losses sustained by the participating entity through any fraudulent or dishonest act or acts committed by any of the officials or employees, acting alone or in collusion with others, during the bond period to an amount not exceeding the lesser of \$300,000 or the amount of the bond. Premiums for coverage are determined by the State Risk Manager and approved by the Board. These premiums are paid by the State Treasurer from funds withheld from the County Aid Fund. There is a \$2,500 deductible per occurrence.

**NOTE 19: Arkansas Public Employees Retirement System**

Plan Description

The County contributes to the Arkansas Public Employees Retirement System (APERS), a cost-sharing multiple-employer defined benefit pension plan. APERS, administered by a Board of Trustees, provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by State law and can be amended only by the Arkansas General Assembly. The Arkansas Public Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for APERS. That report may be obtained by writing to Arkansas Public Employees Retirement System, 124 W. Capitol, Suite 400, Little Rock, Arkansas 72201, by calling 1-800-682-7377, or on their website [www.apers.org](http://www.apers.org).

Funding Policy

APERS has contributory and non-contributory plans. Contributory members are required by State law to contribute 5% of their salary. Each participating employer is required by State law to contribute at a rate established by the Board of Trustees of the system based on the annual actuarial valuation. The County's contributions to the plan for the year ended December 31, 2015, were \$1,918,514.

Net Pension Liability

The County's proportionate share of the collective net pension liability at June 30, 2015 (actuarial valuation date and measurement date) was \$13,143,486.

GARLAND COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2015

Schedule 1

SPECIAL REVENUE FUNDS

	Treasurer's Automation	Collector's Automation	Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	Solid Waste	Assessor's Reappraisal Cost	Support Collection Costs
<b>ASSETS</b>									
Cash and cash equivalents	\$ 131,463	\$ 213,139	\$ 36,063	\$ 12,891	\$ 79,283	\$ 405,303	\$ 4,666,762	\$ 95,974	\$ 44,106
Accounts receivable		279,831	769	17,785	2,248	71,821	650,010		181
<b>TOTAL ASSETS</b>	<b>\$ 131,463</b>	<b>\$ 492,970</b>	<b>\$ 36,832</b>	<b>\$ 30,676</b>	<b>\$ 81,531</b>	<b>\$ 477,124</b>	<b>\$ 5,316,772</b>	<b>\$ 95,974</b>	<b>\$ 44,287</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 1,311	\$ 6,846			\$ 3,940	\$ 9,111	\$ 630,900	\$ 61,500	\$ 510
Interfund payables									
Settlements pending									
<b>Total Liabilities</b>	<b>1,311</b>	<b>6,846</b>			<b>3,940</b>	<b>9,111</b>	<b>630,900</b>	<b>61,500</b>	<b>510</b>
<b>Fund Balances:</b>									
Restricted	130,152	486,124	\$ 36,832	\$ 30,676	77,591	468,013	4,685,872		43,777
Committed								34,474	
<b>Total Fund Balances</b>	<b>130,152</b>	<b>486,124</b>	<b>36,832</b>	<b>30,676</b>	<b>77,591</b>	<b>468,013</b>	<b>4,685,872</b>	<b>34,474</b>	<b>43,777</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 131,463</b>	<b>\$ 492,970</b>	<b>\$ 36,832</b>	<b>\$ 30,676</b>	<b>\$ 81,531</b>	<b>\$ 477,124</b>	<b>\$ 5,316,772</b>	<b>\$ 95,974</b>	<b>\$ 44,287</b>



GARLAND COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2015

Schedule 1

	SPECIAL REVENUE FUNDS								
	Breathalyzer	Garland County Detention Center Maintenance and Operations	Boating Safety	Federal Forest Reserve Title III	Rescue/Emergency Response/Law Enforcement Vehicle	Public Defender	Case Coordinator	Adult Drug Court	Circuit Court Juvenile Division
<b>ASSETS</b>									
Cash and cash equivalents	\$ 7,203	\$ 212,594	\$ 28,014	\$ 54,147	\$ 23,956	\$ 12,493	\$ 62,970	\$ 6,523	\$ 61,975
Accounts receivable		20,707	711		1,414	46		181	3,154
<b>TOTAL ASSETS</b>	<u>\$ 7,203</u>	<u>\$ 233,301</u>	<u>\$ 28,725</u>	<u>\$ 54,147</u>	<u>\$ 25,370</u>	<u>\$ 12,539</u>	<u>\$ 62,970</u>	<u>\$ 6,704</u>	<u>\$ 65,129</u>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable	\$ 12	\$ 24,803	\$ 8			\$ 3,305	\$ 795	\$ 256	\$ 750
Interfund payables									
Settlements pending									
<b>Total Liabilities</b>	<u>12</u>	<u>24,803</u>	<u>8</u>			<u>3,305</u>	<u>795</u>	<u>256</u>	<u>750</u>
<b>Fund Balances:</b>									
Restricted	7,191	208,498	28,717	\$ 54,147	\$ 25,370		62,175	6,448	64,379
Committed						9,234			
<b>Total Fund Balances</b>	<u>7,191</u>	<u>208,498</u>	<u>28,717</u>	<u>54,147</u>	<u>25,370</u>	<u>9,234</u>	<u>62,175</u>	<u>6,448</u>	<u>64,379</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 7,203</u>	<u>\$ 233,301</u>	<u>\$ 28,725</u>	<u>\$ 54,147</u>	<u>\$ 25,370</u>	<u>\$ 12,539</u>	<u>\$ 62,970</u>	<u>\$ 6,704</u>	<u>\$ 65,129</u>

GARLAND COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2015

Schedule 1

	SPECIAL REVENUE FUNDS								
	Circuit Clerk Commissioner's Fee	Detention Facility	Water System	Court Cost	911 Emergency	Sheriff's Commissary	Boys and Girls Club of Hot Springs Grant	J.C., Inc., dba Hot Springs Packing Company	Arkansas Alternative Dispute Resolution Grant
<b>ASSETS</b>									
Cash and cash equivalents	\$ 17,580	\$ 4,861,237	\$ 100,497	\$ 87,109	\$ 1,375,606	\$ 290,342	\$ 21,922	\$ 1	\$ 2,163
Accounts receivable	172	617,813			41,291	20,833			
<b>TOTAL ASSETS</b>	<b>\$ 17,752</b>	<b>\$ 5,479,050</b>	<b>\$ 100,497</b>	<b>\$ 87,109</b>	<b>\$ 1,416,897</b>	<b>\$ 311,175</b>	<b>\$ 21,922</b>	<b>\$ 1</b>	<b>\$ 2,163</b>
<b>LIABILITIES AND FUND BALANCES</b>									
<b>Liabilities:</b>									
Accounts payable		\$ 234,737		\$ 2,441	\$ 80,445				\$ 300
Interfund payables					48,017				
Settlements pending									
<b>Total Liabilities</b>		<b>234,737</b>		<b>2,441</b>	<b>128,462</b>				<b>300</b>
<b>Fund Balances:</b>									
Restricted	\$ 17,752	5,244,313		84,668	1,178,342		\$ 21,922	\$ 1	1,863
Committed			\$ 100,497		110,093	\$ 311,175			
<b>Total Fund Balances</b>	<b>17,752</b>	<b>5,244,313</b>	<b>100,497</b>	<b>84,668</b>	<b>1,288,435</b>	<b>311,175</b>	<b>21,922</b>	<b>1</b>	<b>1,863</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 17,752</b>	<b>\$ 5,479,050</b>	<b>\$ 100,497</b>	<b>\$ 87,109</b>	<b>\$ 1,416,897</b>	<b>\$ 311,175</b>	<b>\$ 21,922</b>	<b>\$ 1</b>	<b>\$ 2,163</b>

GARLAND COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2015

Schedule 1

	SPECIAL REVENUE FUNDS								
	Juvenile Assistance Grant (JAG) Fund FY-13	Drug Task Force - Investigator Grant	Hazard Mitigation Assistance Grant	Juvenile Detention Grant - Title II	Juvenile Detention Grant - Title II FY-16	Juvenile Detention Grant in Aid FY-16	Victims of Crime Act (VOCA) Program Grant	State Homeland Security Grant Program FY-15	Justice Assistance Grant (JAG) FY-15
<b>ASSETS</b>									
Cash and cash equivalents	\$ 103	\$ 18,082	\$ 35,000	\$ 22,468	\$ 21,360	\$ 26,212	\$ 72,209	\$ 290,788	\$ 19,583
Accounts receivable									
<b>TOTAL ASSETS</b>	<u>\$ 103</u>	<u>\$ 18,082</u>	<u>\$ 35,000</u>	<u>\$ 22,468</u>	<u>\$ 21,360</u>	<u>\$ 26,212</u>	<u>\$ 72,209</u>	<u>\$ 290,788</u>	<u>\$ 19,583</u>
<b>LIABILITIES AND FUND BALANCES</b>									
Liabilities:									
Accounts payable		\$ 34			\$ 1,860	\$ 1,200	\$ 1,420		\$ 19,583
Interfund payables									
Settlements pending									
Total Liabilities		<u>34</u>			<u>1,860</u>	<u>1,200</u>	<u>1,420</u>		<u>19,583</u>
Fund Balances:									
Restricted	\$ 103	18,048	\$ 35,000	\$ 22,468	19,500	25,012	70,789	\$ 290,788	
Committed									
Total Fund Balances	<u>103</u>	<u>18,048</u>	<u>35,000</u>	<u>22,468</u>	<u>19,500</u>	<u>25,012</u>	<u>70,789</u>	<u>290,788</u>	
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 103</u>	<u>\$ 18,082</u>	<u>\$ 35,000</u>	<u>\$ 22,468</u>	<u>\$ 21,360</u>	<u>\$ 26,212</u>	<u>\$ 72,209</u>	<u>\$ 290,788</u>	<u>\$ 19,583</u>

GARLAND COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2015

Schedule 1

	SPECIAL REVENUE FUNDS				CAPITAL PROJECTS	DEBT SERVICE FUNDS		
	Library Operations and Maintenance	Library First Asset and Investment	Library Non-Tax	Communication Facility and Equipment	Detention Facilities Construction	Court Costs and Fine	2011 Sales and Use Tax Bond	2015 Capital Improvement Refunding Revenue Bond
<b>ASSETS</b>								
Cash and cash equivalents	\$ 5,167,662	\$ 53,065	\$ 1,018,655	\$ 76,544	\$ 147,095	\$ 25,605	\$ 9,764,438	\$ 284,008
Accounts receivable	51,186			10,566	1	51,576	855,586	
<b>TOTAL ASSETS</b>	<u>\$ 5,218,848</u>	<u>\$ 53,065</u>	<u>\$ 1,018,655</u>	<u>\$ 87,110</u>	<u>\$ 147,096</u>	<u>\$ 77,181</u>	<u>\$ 10,620,024</u>	<u>\$ 284,008</u>
<b>LIABILITIES AND FUND BALANCES</b>								
Liabilities:								
Accounts payable	\$ 33,992		\$ 3,557	\$ 50				
Interfund payables								
Settlements pending								
Total Liabilities	<u>33,992</u>		<u>3,557</u>	<u>50</u>				
Fund Balances:								
Restricted	5,184,856	\$ 53,065	1,015,098	87,060	\$ 147,096	\$ 77,181	\$ 10,620,024	\$ 284,008
Committed								
Total Fund Balances	<u>5,184,856</u>	<u>53,065</u>	<u>1,015,098</u>	<u>87,060</u>	<u>147,096</u>	<u>77,181</u>	<u>10,620,024</u>	<u>284,008</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 5,218,848</u>	<u>\$ 53,065</u>	<u>\$ 1,018,655</u>	<u>\$ 87,110</u>	<u>\$ 147,096</u>	<u>\$ 77,181</u>	<u>\$ 10,620,024</u>	<u>\$ 284,008</u>

GARLAND COUNTY, ARKANSAS  
 COMBINING BALANCE SHEET - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 DECEMBER 31, 2015

Schedule 1

AGENCY FUNDS							
	Treasurer's Accounts	Collector's Accounts	Sheriff's Accounts	County Clerk's Accounts	Circuit Clerk's Accounts	County Judge's Accounts	Totals
<b>ASSETS</b>							
Cash and cash equivalents	\$ 101,399	\$ 634,282	\$ 100,572	\$ 207,339	\$ 886,624	\$ 291,712	\$ 32,176,121
Accounts receivable							2,697,882
<b>TOTAL ASSETS</b>	<b>\$ 101,399</b>	<b>\$ 634,282</b>	<b>\$ 100,572</b>	<b>\$ 207,339</b>	<b>\$ 886,624</b>	<b>\$ 291,712</b>	<b>\$ 34,874,003</b>
<b>LIABILITIES AND FUND BALANCES</b>							
<b>Liabilities:</b>							
Accounts payable							\$ 1,123,666
Interfund payables							48,017
Settlements pending	\$ 101,399	\$ 634,282	\$ 100,572	\$ 207,339	\$ 886,624	\$ 291,712	2,221,928
<b>Total Liabilities</b>	<b>101,399</b>	<b>634,282</b>	<b>100,572</b>	<b>207,339</b>	<b>886,624</b>	<b>291,712</b>	<b>3,393,611</b>
<b>Fund Balances:</b>							
Restricted							30,914,919
Committed							565,473
<b>Total Fund Balances</b>							<b>31,480,392</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 101,399</b>	<b>\$ 634,282</b>	<b>\$ 100,572</b>	<b>\$ 207,339</b>	<b>\$ 886,624</b>	<b>\$ 291,712</b>	<b>\$ 34,874,003</b>

GARLAND COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule 2

	SPECIAL REVENUE FUNDS								
	Treasurer's Automation	Collector's Automation	Court Automation	Assessor's Amendment no. 79	County Clerk's Cost	County Recorder's Cost	Solid Waste	Assessor's Reappraisal Cost	Support Collection Costs
REVENUES									
State aid				\$ 31,285			\$ 6,500	\$ 572,631	
Federal aid									
Property taxes									
Sales taxes							1,728,913		
Fines, forfeitures, and costs			\$ 5,220						
Interest	\$ 601	\$ 1,398	135	82	\$ 293	\$ 1,702	13,645		\$ 188
Officers' fees			1,377		25,741	720,592			7,160
Sanitation fees							8,020,791		
Commissary sales									
Donations									
911 fees									
Jail fees									
Treasurer's commission	91,965								
Collector's commission		279,831							
Other	6,480					8,299	126,881		
<b>TOTAL REVENUES</b>	<b>99,046</b>	<b>281,229</b>	<b>6,732</b>	<b>31,367</b>	<b>26,034</b>	<b>730,593</b>	<b>9,896,730</b>	<b>572,631</b>	<b>7,348</b>
Less: Treasurer's commission			32	69	132	3,583	48,104		37
<b>NET REVENUES</b>	<b>99,046</b>	<b>281,229</b>	<b>6,700</b>	<b>31,298</b>	<b>25,902</b>	<b>727,010</b>	<b>9,848,626</b>	<b>572,631</b>	<b>7,311</b>
EXPENDITURES									
Current:									
General government	130,379	248,542		13,696	14,799	736,144		738,000	6,168
Law enforcement									
Public safety									
Sanitation							8,070,629		
Recreation and culture									
Total Current	130,379	248,542		13,696	14,799	736,144	8,070,629	738,000	6,168
Debt Service:									
Bond principal									
Bond interest and other charges									
<b>TOTAL EXPENDITURES</b>	<b>130,379</b>	<b>248,542</b>		<b>13,696</b>	<b>14,799</b>	<b>736,144</b>	<b>8,070,629</b>	<b>738,000</b>	<b>6,168</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(31,333)</b>	<b>32,687</b>	<b>6,700</b>	<b>17,602</b>	<b>11,103</b>	<b>(9,134)</b>	<b>1,777,997</b>	<b>(165,369)</b>	<b>1,143</b>
OTHER FINANCING SOURCES (USES)									
Transfers in		5,000						160,000	
Transfers out						(10,464)	(65,673)		
Bond proceeds									
Bond premium									
Sales taxes remitted by municipalities									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>		<b>5,000</b>				<b>(10,464)</b>	<b>(65,673)</b>	<b>160,000</b>	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>(31,333)</b>	<b>37,687</b>	<b>6,700</b>	<b>17,602</b>	<b>11,103</b>	<b>(19,598)</b>	<b>1,712,324</b>	<b>(5,369)</b>	<b>1,143</b>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	161,485	448,437	30,132	13,074	66,488	487,611	2,857,799	39,843	42,634
Restatement adjustment (Note 12)							115,749		
FUND BALANCES - JANUARY 1, AS RESTATED	161,485	448,437	30,132	13,074	66,488	487,611	2,973,548	39,843	42,634
FUND BALANCES - DECEMBER 31	<u>\$ 130,152</u>	<u>\$ 486,124</u>	<u>\$ 36,832</u>	<u>\$ 30,676</u>	<u>\$ 77,591</u>	<u>\$ 468,013</u>	<u>\$ 4,685,872</u>	<u>\$ 34,474</u>	<u>\$ 43,777</u>

GARLAND COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule 2

	SPECIAL REVENUE FUNDS								
	Arkansas Game and Fish	Breathalyzer	Garland County Detention Center Maintenance and Operations	Boating Safety	Federal Forest Reserve Title III	Rescue/Emergency Response/Law Enforcement Vehicle	Public Defender	Case Coordinator	Adult Drug Court
REVENUES									
State aid				\$ 16,742			\$ 3,080		
Federal aid									
Property taxes									
Sales taxes									
Fines, forfeitures, and costs		\$ 2,852	\$ 196,716	3,970		\$ 14,879	27,244	\$ 72,915	\$ 4,550
Interest		31	987	108	\$ 246	77	61	241	25
Officers' fees			2,587						
Sanitation fees									
Commissary sales									
Donations									
911 fees									
Jail fees									
Treasurer's commission									
Collector's commission									
Other							79	69	
<b>TOTAL REVENUES</b>		<b>2,883</b>	<b>200,290</b>	<b>20,820</b>	<b>246</b>	<b>14,956</b>	<b>30,464</b>	<b>73,225</b>	<b>4,575</b>
Less: Treasurer's commission			1,008	24		76	15		24
<b>NET REVENUES</b>		<b>2,883</b>	<b>199,282</b>	<b>20,796</b>	<b>246</b>	<b>14,880</b>	<b>30,449</b>	<b>73,225</b>	<b>4,551</b>
EXPENDITURES									
Current:									
General government									
Law enforcement		2,436	191,629	17,665		2,214	42,739	62,357	3,475
Public safety									
Sanitation									
Recreation and culture					6,667				
Total Current		2,436	191,629	17,665	6,667	2,214	42,739	62,357	3,475
Debt Service:									
Bond principal									
Bond interest and other charges									
<b>TOTAL EXPENDITURES</b>		<b>2,436</b>	<b>191,629</b>	<b>17,665</b>	<b>6,667</b>	<b>2,214</b>	<b>42,739</b>	<b>62,357</b>	<b>3,475</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>		<b>447</b>	<b>7,653</b>	<b>3,131</b>	<b>(6,421)</b>	<b>12,666</b>	<b>(12,290)</b>	<b>10,868</b>	<b>1,076</b>
OTHER FINANCING SOURCES (USES)									
Transfers in							10,000		
Transfers out									
Bond proceeds									
Bond premium									
Sales taxes remitted by municipalities									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>							<b>10,000</b>		
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>		<b>447</b>	<b>7,653</b>	<b>3,131</b>	<b>(6,421)</b>	<b>12,666</b>	<b>(2,290)</b>	<b>10,868</b>	<b>1,076</b>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	\$ 1,814	6,744	200,845	25,586	60,568	12,704	11,524	51,307	5,372
Restatement adjustment (Note 12)	(1,814)								
FUND BALANCES - JANUARY 1, AS RESTATED	0	6,744	200,845	25,586	60,568	12,704	11,524	51,307	5,372
FUND BALANCES - DECEMBER 31	\$ 0	\$ 7,191	\$ 208,498	\$ 28,717	\$ 54,147	\$ 25,370	\$ 9,234	\$ 62,175	\$ 6,448

GARLAND COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule 2

SPECIAL REVENUE FUNDS									
	Circuit Court Juvenile Division	Voting Systems Grant	Circuit Clerk Commissioner's Fee	Detention Facility	Water System	Court Cost	911 Emergency	Sheriff's Commissary	Court Security Grant
REVENUES									
State aid									\$ 12,170
Federal aid									
Property taxes									
Sales taxes				\$ 4,074,561					
Fines, forfeitures, and costs	\$ 19,120					\$ 68,044			
Interest	252		\$ 69	19,584	\$ 415	300	\$ 4,838	\$ 756	
Officers' fees	16,181		10,025	191					
Sanitation fees									
Commissary sales								244,213	
Donations									
911 fees							876,807		
Jail fees								19,981	
Treasurer's commission									
Collector's commission									
Other	278			70,867		581	2,103	58,553	
<b>TOTAL REVENUES</b>	<b>35,831</b>		<b>10,094</b>	<b>4,165,203</b>	<b>415</b>	<b>68,925</b>	<b>883,748</b>	<b>323,503</b>	<b>12,170</b>
Less: Treasurer's commission	173		58	32,775			4,415	1,330	
<b>NET REVENUES</b>	<b>35,658</b>		<b>10,036</b>	<b>4,132,428</b>	<b>415</b>	<b>68,925</b>	<b>879,333</b>	<b>322,173</b>	<b>12,170</b>
EXPENDITURES									
Current:									
General government		\$ 14,340							
Law enforcement	29,432		6,344	7,208,043		36,920		174,176	12,170
Public safety							647,983		
Sanitation									
Recreation and culture									
Total Current	29,432	14,340	6,344	7,208,043		36,920	647,983	174,176	12,170
Debt Service:									
Bond principal									
Bond interest and other charges									
<b>TOTAL EXPENDITURES</b>	<b>29,432</b>	<b>14,340</b>	<b>6,344</b>	<b>7,208,043</b>		<b>36,920</b>	<b>647,983</b>	<b>174,176</b>	<b>12,170</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>6,226</b>	<b>(14,340)</b>	<b>3,692</b>	<b>(3,075,615)</b>	<b>415</b>	<b>32,005</b>	<b>231,350</b>	<b>147,997</b>	
OTHER FINANCING SOURCES (USES)									
Transfers in				50,209					
Transfers out	(277)			(10,464)			(82,542)		
Bond proceeds									
Bond premium									
Sales taxes remitted by municipalities				2,471,834					
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(277)</b>			<b>2,511,579</b>			<b>(82,542)</b>		
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>5,949</b>	<b>(14,340)</b>	<b>3,692</b>	<b>(564,036)</b>	<b>415</b>	<b>32,005</b>	<b>148,808</b>	<b>147,997</b>	
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	58,430	14,340	14,060	5,808,349	100,082	52,663	1,139,627	163,178	
Restatement adjustment (Note 12)									
FUND BALANCES - JANUARY 1, AS RESTATED	58,430	14,340	14,060	5,808,349	100,082	52,663	1,139,627	163,178	
FUND BALANCES - DECEMBER 31	<b>\$ 64,379</b>	<b>\$ 0</b>	<b>\$ 17,752</b>	<b>\$ 5,244,313</b>	<b>\$ 100,497</b>	<b>\$ 84,668</b>	<b>\$ 1,288,435</b>	<b>\$ 311,175</b>	<b>\$ 0</b>



GARLAND COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule 2

	SPECIAL REVENUE FUNDS								
	Juvenile Detention Grant in Aid	Boys and Girls Club of Hot Springs Grant	J.C., Inc., dba Hot Springs Packing Company	Arkansas Alternative Dispute Resolution Grant	County Court Room Grant	Juvenile Assistance Grant (JAG) Fund FY-13	Drug Task Force - Investigator Grant	Hazard Mitigation Assistance Grant	Arkansas Drug Courts Capacity Building Project Grant
REVENUES									
State aid									
Federal aid									\$ 4,500
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest									
Officers' fees									
Sanitation fees									
Commissary sales									
Donations									
911 fees									
Jail fees									
Treasurer's commission									
Collector's commission									
Other							\$ 50,717		
<b>TOTAL REVENUES</b>							50,717		4,500
Less: Treasurer's commission									
<b>NET REVENUES</b>							50,717		4,500
EXPENDITURES									
Current:									
General government					\$ 3,542				
Law enforcement	\$ 19,844			\$ 1,428			49,243		4,500
Public safety									
Sanitation									
Recreation and culture		\$ 72,078							
<b>Total Current</b>	19,844	72,078		1,428	3,542		49,243		4,500
Debt Service:									
Bond principal									
Bond interest and other charges									
<b>TOTAL EXPENDITURES</b>	19,844	72,078		1,428	3,542		49,243		4,500
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(19,844)	(72,078)		(1,428)	(3,542)		1,474		
OTHER FINANCING SOURCES (USES)									
Transfers in				277		\$ 103		\$ 25,000	
Transfers out	(42,733)				(5,844)		(27,507)		
Bond proceeds									
Bond premium									
Sales taxes remitted by municipalities									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	(42,733)			277	(5,844)	103	(27,507)	25,000	
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	(62,577)	(72,078)		(1,151)	(9,386)	103	(26,033)	25,000	
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	62,577	94,000	\$ 1	3,014	9,386		44,081	10,000	
Restatement adjustment (Note 12)									
FUND BALANCES - JANUARY 1, AS RESTATED	62,577	94,000	1	3,014	9,386		44,081	10,000	
FUND BALANCES - DECEMBER 31	\$ 0	\$ 21,922	\$ 1	\$ 1,863	\$ 0	\$ 103	\$ 18,048	\$ 35,000	\$ 0

GARLAND COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule 2

	SPECIAL REVENUE FUNDS								
	Juvenile Detention Grant - Title II	Juvenile Detention Grant - Title V	2014 Community Garden of Heroes - Title V Grant	Justice Assistance Grant (JAG) FY-15	State Homeland Security Grant Program FY-14	Juvenile Detention Grant - Title II FY-16	Juvenile Detention Grant in Aid FY-16	Victims of Crime Act (VOCA) Program Grant	State Homeland Security Grant Program FY-15
REVENUES									
State aid							\$ 28,574		
Federal aid	\$ 20,793			\$ 16,867	\$ 95,999			\$ 8,745	
Property taxes									
Sales taxes									
Fines, forfeitures, and costs									
Interest									
Officers' fees									
Sanitation fees									
Commissary sales									
Donations									
911 fees									
Jail fees									
Treasurer's commission									
Collector's commission									
Other									
<b>TOTAL REVENUES</b>	<b>20,793</b>			<b>16,867</b>	<b>95,999</b>		<b>28,574</b>	<b>8,745</b>	
Less: Treasurer's commission									
<b>NET REVENUES</b>	<b>20,793</b>			<b>16,867</b>	<b>95,999</b>		<b>28,574</b>	<b>8,745</b>	
EXPENDITURES									
Current:									
General government									
Law enforcement	22,131					\$ 4,500	3,562	12,450	
Public safety					95,999				
Sanitation									
Recreation and culture									
Total Current	22,131				95,999	4,500	3,562	12,450	
Debt Service:									
Bond principal									
Bond interest and other charges									
<b>TOTAL EXPENDITURES</b>	<b>22,131</b>				<b>95,999</b>	<b>4,500</b>	<b>3,562</b>	<b>12,450</b>	
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,338)</b>			<b>16,867</b>		<b>(4,500)</b>	<b>25,012</b>	<b>(3,705)</b>	
OTHER FINANCING SOURCES (USES)									
Transfers in	5,156					24,000		75,794	\$ 290,788
Transfers out		\$ (15,593)	\$ (8,952)	(16,872)	(100,000)			(1,300)	
Bond proceeds									
Bond premium									
Sales taxes remitted by municipalities									
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>5,156</b>	<b>(15,593)</b>	<b>(8,952)</b>	<b>(16,872)</b>	<b>(100,000)</b>	<b>24,000</b>		<b>74,494</b>	<b>290,788</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>3,818</b>	<b>(15,593)</b>	<b>(8,952)</b>	<b>(5)</b>	<b>(100,000)</b>	<b>19,500</b>	<b>25,012</b>	<b>70,789</b>	<b>290,788</b>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	18,650	15,593	8,952	5	100,000				
Restatement adjustment (Note 12)									
FUND BALANCES - JANUARY 1, AS RESTATED	18,650	15,593	8,952	5	100,000				
FUND BALANCES - DECEMBER 31	\$ 22,468	\$ 0	\$ 0	\$ 0	\$ 0	\$ 19,500	\$ 25,012	\$ 70,789	\$ 290,788

GARLAND COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule 2

	SPECIAL REVENUE FUNDS					CAPITAL PROJECTS FUND	
	Justice Assistance Grant (JAG) FY-15	Library Operations and Maintenance	Library First Asset and Investment	Library Non-Tax	Law Library	Communication Facility and Equipment	Detention Facilities Construction
REVENUES							
State aid		\$ 461,445					
Federal aid		1,560					
Property taxes		2,395,830					
Sales taxes							
Fines, forfeitures, and costs							
Interest		20,419	\$ 53	\$ 3,853		\$ 267	\$ 185
Officers' fees						55,934	
Sanitation fees							
Commissary sales							
Donations				65,143			
911 fees							
Jail fees							
Treasurer's commission							
Collector's commission							
Other		166,515					
<b>TOTAL REVENUES</b>		<b>3,045,769</b>	<b>53</b>	<b>68,996</b>		<b>56,201</b>	<b>185</b>
Less: Treasurer's commission		14,008					
<b>NET REVENUES</b>		<b>3,031,761</b>	<b>53</b>	<b>68,996</b>		<b>56,201</b>	<b>185</b>
EXPENDITURES							
Current:							
General government							
Law enforcement	\$ 19,583					42,528	2,955,014
Public safety							
Sanitation							
Recreation and culture		2,950,259		133,782			
<b>Total Current</b>	<b>19,583</b>	<b>2,950,259</b>		<b>133,782</b>		<b>42,528</b>	<b>2,955,014</b>
Debt Service:							
Bond principal							
Bond interest and other charges							
<b>TOTAL EXPENDITURES</b>	<b>19,583</b>	<b>2,950,259</b>		<b>133,782</b>		<b>42,528</b>	<b>2,955,014</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(19,583)</b>	<b>81,502</b>	<b>53</b>	<b>(64,786)</b>		<b>13,673</b>	<b>(2,954,829)</b>
OTHER FINANCING SOURCES (USES)							
Transfers in	19,583		43				
Transfers out		(10,464)		(43)			
Bond proceeds							
Bond premium							
Sales taxes remitted by municipalities							
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>19,583</b>	<b>(10,464)</b>	<b>43</b>	<b>(43)</b>			
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>		<b>71,038</b>	<b>96</b>	<b>(64,829)</b>		<b>13,673</b>	<b>(2,954,829)</b>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED		5,114,818	52,969	1,079,927	\$ 54,178	73,387	3,101,925
Restatement adjustment (Note 12)		(1,000)			(54,178)		
FUND BALANCES - JANUARY 1, AS RESTATED		5,113,818	52,969	1,079,927	0	73,387	3,101,925
FUND BALANCES - DECEMBER 31	<b>\$ 0</b>	<b>\$ 5,184,856</b>	<b>\$ 53,065</b>	<b>\$ 1,015,098</b>	<b>\$ 0</b>	<b>\$ 87,060</b>	<b>\$ 147,096</b>

GARLAND COUNTY, ARKANSAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - OTHER FUNDS IN THE AGGREGATE -  
 REGULATORY BASIS  
 FOR THE YEAR ENDED DECEMBER 31, 2015

Schedule 2

	DEBT SERVICE FUNDS				Totals
	Court Costs and Fine	2008 Capital Improvement Revenue Bond	2011 Sales and Use Tax Bond	2015 Capital Improvement Refunding Revenue Bond	
REVENUES					
State aid					\$ 1,132,427
Federal aid					148,464
Property taxes					2,395,830
Sales taxes			\$ 10,966,178		16,769,652
Fines, forfeitures, and costs	\$ 699,586				1,115,096
Interest		\$ 12	752	\$ 15	71,590
Officers' fees					839,788
Sanitation fees					8,020,791
Commissary sales					244,213
Donations					65,143
911 fees					876,807
Jail fees					19,981
Treasurer's commission					91,965
Collector's commission					279,831
Other	64,309				555,731
<b>TOTAL REVENUES</b>	<b>763,895</b>	<b>12</b>	<b>10,966,930</b>	<b>15</b>	<b>32,627,309</b>
Less: Treasurer's commission	2,433				108,296
<b>NET REVENUES</b>	<b>761,462</b>	<b>12</b>	<b>10,966,930</b>	<b>15</b>	<b>32,519,013</b>
EXPENDITURES					
Current:					
General government				47,295	1,952,905
Law enforcement					10,924,383
Public safety					743,982
Sanitation					8,070,629
Recreation and culture					3,162,786
Total Current				47,295	24,854,685
Debt Service:					
Bond principal		1,775,000	9,560,000		11,335,000
Bond interest and other charges		30,570	644,326	18,028	692,924
<b>TOTAL EXPENDITURES</b>		<b>1,805,570</b>	<b>10,204,326</b>	<b>65,323</b>	<b>36,882,609</b>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>761,462</b>	<b>(1,805,558)</b>	<b>762,604</b>	<b>(65,308)</b>	<b>(4,363,596)</b>
OTHER FINANCING SOURCES (USES)					
Transfers in		1,509,382		170,478	2,345,813
Transfers out	(756,590)			(1,465,488)	(2,620,806)
Bond proceeds				1,615,000	1,615,000
Bond premium				29,326	29,326
Sales taxes remitted by municipalities					2,471,834
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(756,590)</b>	<b>1,509,382</b>		<b>349,316</b>	<b>3,841,167</b>
<b>EXCESS OF REVENUES AND OTHER SOURCES OVER (UNDER) EXPENDITURES AND OTHER USES</b>	<b>4,872</b>	<b>(296,176)</b>	<b>762,604</b>	<b>284,008</b>	<b>(522,429)</b>
FUND BALANCES - JANUARY 1, AS PREVIOUSLY REPORTED	72,309	296,176	9,857,420		31,944,064
Restatement adjustment (Note 12)					58,757
FUND BALANCES - JANUARY 1, AS RESTATED	72,309	296,176	9,857,420		32,002,821
FUND BALANCES - DECEMBER 31	<b>\$ 77,181</b>	<b>\$ 0</b>	<b>\$ 10,620,024</b>	<b>\$ 284,008</b>	<b>\$ 31,480,392</b>

GARLAND COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2015

The following funds and descriptions represent all funds reported as other funds in the aggregate.

Fund Name	Fund Description
Treasurer's Automation	Ark. Code Ann. § 21-6-302 established fund to receive up to 10% of treasurer's gross commissions to operate the treasurer's office and to purchase, maintain, and operate an automated accounting and record keeping system.
Collector's Automation	Ark. Code Ann. § 21-6-305 established fund to receive up to 10% of collector's gross commissions to operate the collector's office and to purchase, maintain, and operate an automated record keeping system.
Court Automation	Ark. Code Ann. § 16-13-704 established fund to receive circuit court installment fees to be used for circuit court-related technology and to defray the cost of fine collection.
Assessor's Amendment no. 79	Ark. Code Ann. § 26-26-310 provides that 1% of the county's share of surplus funds from the Property Tax Relief Trust Fund be allocated to county assessors for the costs of administering Arkansas Constitution, Amendment no. 79.
County Clerk's Cost	Ark. Code Ann. § 21-6-413 established fund to receive at least 35% of fees collected by county clerks to be used to purchase, maintain, and operate an automated records system.
County Recorder's Cost	Ark. Code Ann. § 21-6-306 established fund to receive at least 25% of the fees collected by circuit clerks to be used to purchase, maintain, and operate automated records system.
Solid Waste	Garland County Ordinance no. O-78-17 (May 22, 1979) as amended by Garland County Ordinance no. O-91-07 (March 11, 1991) established fund to receive sanitation fees to be used for the collection and disposal of solid waste.
Assessor's Reappraisal Cost	Ark. Code Ann. § 26-26-1907 established fund to pay reappraisals of real property with revenue received from State.
Support Collection Costs	Ark. Code Ann. § 9-10-109 established fund to receive fees to offset administrative costs in the clerk's office.
Arkansas Game and Fish	Ark. Code Ann. § 6-16-1101 established fund to receive grants to be distributed to school districts or conservation districts for the sole purpose of approved conservation education programs. (Repealed by Act 371 of 2015; effective July 22, 2015)
Breathalyzer	Ark. Code Ann. § 16-10-307 established fund to receive revenues generated from court costs to be used to maintain and purchase breathalyzer.
Garland County Detention Center Maintenance and Operations	Ark. Code Ann. § 16-17-129 allows a county to levy an additional fine, not to exceed \$20. Funds shall be used exclusively to defray the cost of incarcerating county prisoners; construction, maintenance, and operation of the county jail; purchase and maintenance of jail equipment; and training, salaries, and certificate pay for jailers and deputy sheriffs.
Boating Safety	Ark. Code Ann. § 27-101-111 established fund to receive fees to be used for operating a patrol on the waterways within a county or for emergency rescue services if the county has not established a patrol.

GARLAND COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2015

The following funds and descriptions represent all funds reported as other funds in the aggregate.

Fund Name	Fund Description
Federal Forest Reserve Title III	Garland County Ordinance no. O-05-42 (October 19, 2005) established the fund to receive funds from the USDA Forest Service to be used for certain types of public projects identified in the Secure Rural School and Community Self-Determination Act of 2000.
Rescue/Emergency Response/Law Enforcement Vehicle	Ark. Code Ann. § 27-22-103 established fund to account for the fine for failure to insure motor vehicles to be used for the purchase and maintenance of rescue, emergency medical, and law enforcement vehicles, communications equipment, animals owned or used by law enforcement agencies, life-saving medical apparatus, and law enforcement apparatus to be used for those purposes.
Public Defender	Ark. Code Ann. § 14-20-102 established fund to receive funds distributed in accordance with Ark. Code Ann. § 16-10-307 to be used to pay reasonable and necessary costs incurred in the defense of indigent persons, the representation of persons against whom involuntary admissions procedures have been brought, and for representation of persons deemed incompetent by the court; defraying the costs of the juvenile division of chancery court; and for defraying the medical and dental costs for indigent defendants in the county jail.
Case Coordinator	Ark. Code Ann. § 16-21-151 established fund to receive district court costs levied to be used by prosecuting attorney for operating victim/witness program.
Adult Drug Court	Ark. Code Ann. § 16-98-304 and Garland County Ordinance no. 0-13-78 (November 25, 2013) established fund to receive program user fees set by drug court judges to be used for the benefit and administration of the drug court program.
Circuit Court Juvenile Division	Ark. Code Ann. § § 16-13-326, 9-27-367 established fund to receive juvenile fees, court costs, and fines to provide services and supplies to juveniles at the discretion of the juvenile division of circuit court.
Voting Systems Grant	Garland County Ordinance no. O-13-56 (September 9, 2013) and Ark. Code Ann. § 19-5-1247 established fund to receive grants from the Secretary of State County Voting System Grant Fund to purchase voting system equipment, programming, and maintenance.
Circuit Clerk Commissioner's Fee	Ark. Code Ann. § 21-6-412 established fund to receive fee awarded, when appointed as Commissioner, for a sale of real or personal property under judicial decree. The funds are to be used to offset administrative costs associated with the performance of the Commissioner's duties and for general operations expenses of the office of Circuit Clerk.
Detention Facility	Garland County Ordinance no. O-13-54 (August 12, 2013) established to provide for the transition team expenses through the end of 2013.
Water System	Garland County Ordinance O-14-65 (September 8, 2014) established fund to receive transfer from Ouachita Memorial Hospital Sale Fund and to track expenses associated with performing studies and for attorney/engineering fees pertaining to the studies of a proposed water system.

GARLAND COUNTY, ARKANSAS  
NOTES TO SCHEDULES 1 AND 2  
DECEMBER 31, 2015

The following funds and descriptions represent all funds reported as other funds in the aggregate.

Fund Name	Fund Description
Court Cost	Ark. Code Ann. § 16-10-307 established the County Administration of Justice Fund which continued to finance this fund used to defray a part of the expense of the administration of justice.
911 Emergency	Ark. Code Ann. § 12-10-318 established fund to receive fees collected by telephone providers for 911 emergency services.
Sheriff's Commissary	Garland County Ordinance no. O-08-54 (August 8, 2007) established the fund to receive funds from the inmate commissary with funds to be used to operate the inmate commissary and other law enforcement expenses as authorized by appropriation.
Court Security Grant	Ark. Code Ann. § 16-10-1006 established fund for the purpose of providing financial assistance to local governments to assist in the implementation of local security and emergency preparedness plans for circuit and district courts.
Juvenile Detention Grant in Aid	Garland County Ordinance no. O-12-18 (March 12, 2012) established fund to receive federal grant funds to provide law enforcement assistance with juvenile detention personnel.
Boys and Girls Club of Hot Springs Grant	Garland County Ordinance no. O-14-62 (September 8, 2014) authorized the creation of fund to track the \$94,000 of General Improvement Funds received for the purpose of resurfacing a parking lot, two scoreboards, and various other items.
J.C., Inc., dba Hot Springs Packing Company	Garland County Ordinance no. O-10-22 (May 10, 2010) established fund to account for an Arkansas Department of Economic Development grant for J.C., Inc., of Hot Springs dba Hot Springs Packing Company.
Arkansas Alternative Dispute Resolution Grant	Garland County Ordinance no. O-14-05 (February 10, 2014) established fund to receive grant funds awarded by the Arkansas Alternative Dispute Resolution Commission.
County Court Room Grant	Garland County Ordinance no. O-14-06 (February 10, 2014) established fund to receive a general improvement grant to update various projects within the Garland County Courthouse.
Juvenile Assistance Grant (JAG) Fund FY-13	Garland County Ordinance no. O-14-02 (February 10, 2014) established fund to receive federal grant funds to purchase law enforcement equipment.
Drug Task Force - Investigator Grant	Garland County Ordinance no. O-14-17 (March 10, 2014) established to receive a state grant from the Department of Finance and Administration State Drug Crime Enforcement Fund to fund 80% of the salary for a Drug Task Force Investigator position within the Garland County Prosecuting Attorney's Office.
Hazard Mitigation Assistance Grant	Garland County Ordinance no. O-14-26 (April 14, 2014) established to receive a state grant from the Department of Emergency Management to update the County Hazard Mitigation Plan.

GARLAND COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2015

The following funds and descriptions represent all funds reported as other funds in the aggregate.

Fund Name	Fund Description
Arkansas Drug Courts Capacity Building Project Grant	Garland County Ordinance no. O-15-11 (March 10, 2015) established to receive a federal grant to offset expenses related to the Clinical Overview of the Recovery Experience Conference.
Juvenile Detention Grant - Title II	Garland County Ordinance no. O-14-45 (June 9, 2014) established to receive a grant from the Department of Human Services for the implementation of Juvenile Alternative Placement Programs.
Juvenile Detention Grant - Title V	Garland County Ordinance no. O-14-45 (June 9, 2014) established to receive a grant from the Department of Human Services for the implementation of Life's Intensive Skills Training Program.
2014 Community Garden of Heroes - Title V Grant	Garland County Ordinance no. O-14-48 (July 14, 2014) established to receive a grant from the Department of Human Services for Juvenile Justice to use for the upkeep of the Garden of Heroes Skill Program.
Justice Assistance Grant (JAG) FY-15	Garland County Ordinance no. O-14-71 (October 23, 2014) established to receive a grant from the Federal Government for law enforcement expenditures.
State Homeland Security Grant Program FY-14	Garland County Ordinance no. O-14-68 (October 13, 2014) established to receive a grant from the Department of Emergency Management for the purchase of machinery and equipment and other expenditures.
Juvenile Detention Grant - Title II FY-16	Garland County Ordinance no. O-15-54 (August 10, 2015) established to receive a grant from the Department of Human Services/Division of Youth Services and the Arkansas Coalition for Juvenile Justice for the implementation of a Juvenile Alternative Placement Program.
Juvenile Detention Grant in Aid FY-16	Garland County Ordinance no. O-15-65 (September 24, 2015) established to receive a grant from the Department of Finance and Administration for law enforcement expenditures.
Victims of Crime Act (VOCA) Program Grant	Garland County Ordinance no. O-15-66 (October 12, 2015) established to receive a grant from the Department of Finance and Administration for the Garland County Prosecuting Attorney office expenditures.
State Homeland Security Grant Program FY-15	Garland County Ordinance no. O-15-67 (October 12, 2015) established to receive a grant from the Department of Emergency Management for the purchase of machinery and equipment.
Justice Assistance Grant (JAG) FY-15	Garland County Ordinance no. O-14-71 (October 23, 2014) established to receive a grant from the Federal Government for law enforcement expenditures.
Library Operations and Maintenance	Ark. Code Ann. § 13-2-404 established fund to account for property tax millage levied by the quorum court for the support, operation, and maintenance of the public library.
Library First Asset and Investment	Established to receive donations to the Library and interest earned on treasury bills and treasury notes held by the Library.
Library Non-Tax	Established to receive donations to the Library and interest earned on certificate of deposits held for the Library.



GARLAND COUNTY, ARKANSAS  
 NOTES TO SCHEDULES 1 AND 2  
 DECEMBER 31, 2015

The following funds and descriptions represent all funds reported as other funds in the aggregate.

Fund Name	Fund Description
Law Library	Ark. Code Ann. § 16-23-105 established fund to receive collections from costs levied and to fund law library expenditures.
Communication Facility and Equipment	Ark. Code Ann. §§ 21-6-307, 12-41-105 established fund to receive 25% of sheriff's fees collected and phone commission funds to be used for communications equipment and repair and to train operations staff.
Detention Facilities Construction	Garland County Ordinance no. O-11-63 (November 14, 2011) authorized the issuance of sales and use tax bonds for the purpose of financing all or a portion of the costs of acquiring, constructing, equipping, and furnishing new and improvements to existing, detention facilities, including particularly, without limitation, a new jail and any necessary land acquisition and utility, road, and parking improvements related thereto.
Court Costs and Fine	Garland County Ordinance no. O-08-22 (April 14, 2008) established fund to account for monthly court costs and fine revenues pledged for the retirement of the 2009 Capital Improvement Revenue Bonds. Monthly transfers are made to the 2008 Capital Improvement Revenue Bond Fund to provide necessary funding for current debt service obligations, trustee's fees, and expenses. Any surplus funds remaining may be used for any lawful purpose.
2008 Capital Improvement Revenue Bond	Garland County Ordinance no. O-08-22 (April 14, 2008) established fund for the purpose of providing funds for the payment of principal and interest on the bond issue.
2011 Sales and Use Tax Bond	Garland County Ordinance no. O-11-63 (November 14, 2011) authorized the issuance of sales and use tax bonds for the purpose of financing all or a portion of the costs of acquiring, constructing, equipping, and furnishing new and improvements to existing, detention facilities, including particularly, without limitation, a new jail and any necessary land acquisition and utility, road, and parking improvements related thereto.
2015 Capital Improvement Refunding Revenue Bond	Garland County Ordinance no. O-15-09 (March 9, 2015) established fund for the purpose of providing funds for the payment of principal and interest on the bond issue.

Treasurer's accounts consist primarily of interest not distributed to the appropriate entities and revenues held for other entities.

Collector's accounts consist primarily of delinquent taxes not yet distributed to the various taxing units and Solid Waste House-to-House fees collected through property tax billing not yet distributed to the Treasurer.

Sheriff's accounts consist primarily of fees settlement, bond, evidence, and inmate trust money.

County Clerk's accounts consist primarily of trust money and fee money to be settled with Treasurer.

Circuit Clerk's accounts consist of trust money and settlements due to Treasurer.

County Judge's accounts consist of landfill fees not yet distributed to the Treasurer.

GARLAND COUNTY, ARKANSAS  
OTHER INFORMATION  
SCHEDULE OF CAPITAL ASSETS  
DECEMBER 31, 2015  
(Unaudited)

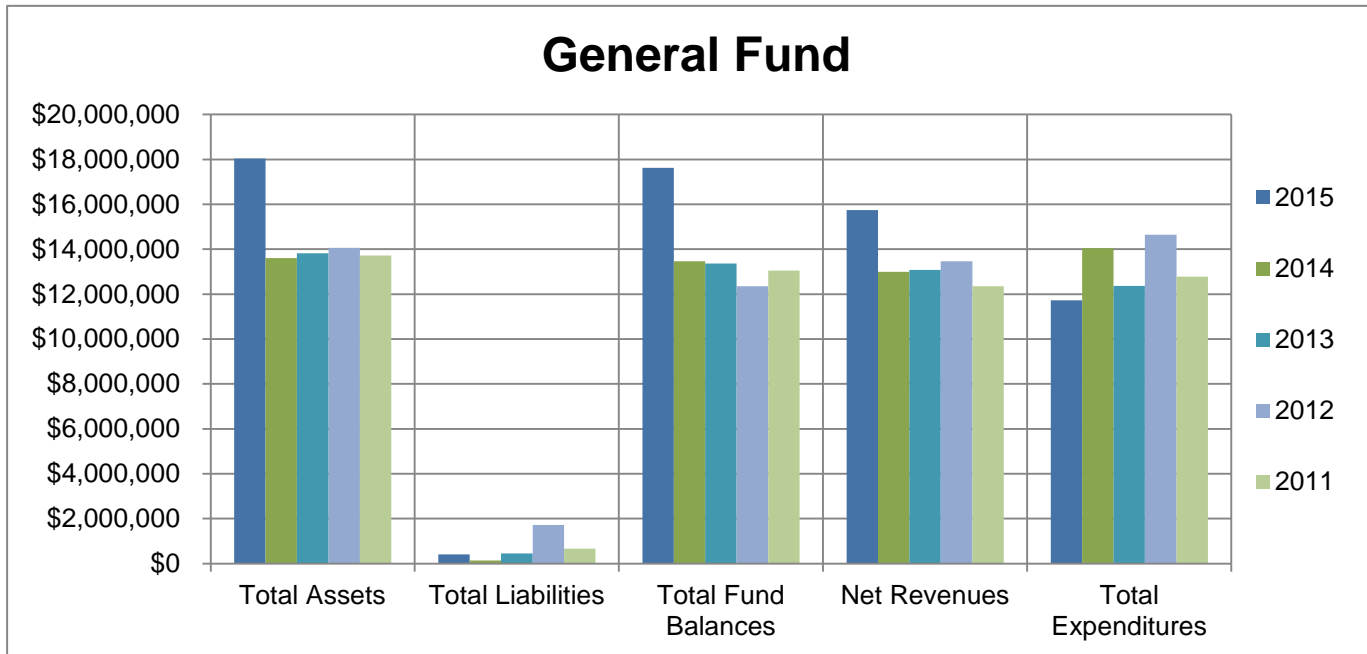
Schedule 3

	<u>December 31, 2015</u>
Land	\$ 3,569,607
Buildings	62,893,519
Improvements	1,487,547
Equipment	<u>20,351,029</u>
Total	<u>\$ 88,301,702</u>

GARLAND COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - GENERAL FUND - REGULATORY BASIS  
 DECEMBER 31, 2015  
 (Unaudited)

Schedule 4-1

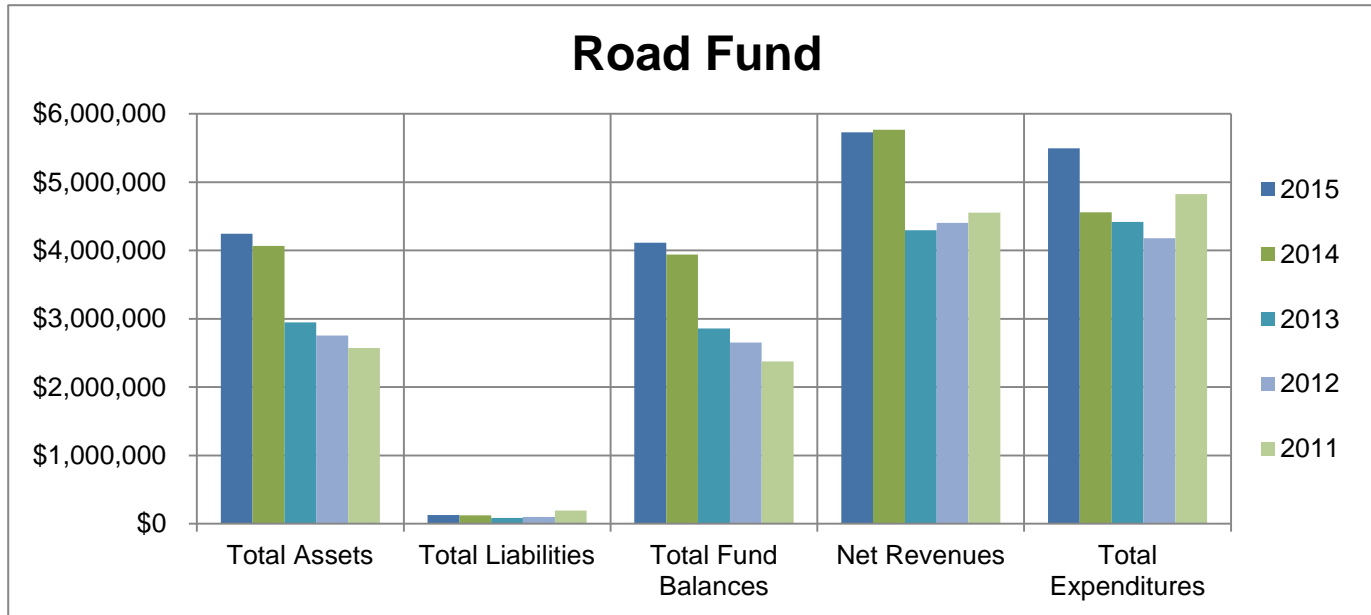
<b>General</b>	2015	2014	2013	2012	2011
Total Assets	\$ 18,038,893	\$ 13,605,560	\$ 13,817,809	\$ 14,066,120	\$ 13,720,071
Total Liabilities	411,424	145,987	456,473	1,721,313	667,863
Total Fund Balances	17,627,469	13,459,573	13,361,336	12,344,807	13,052,208
Net Revenues	15,741,706	12,997,924	13,072,849	13,464,190	12,347,071
Total Expenditures	11,719,811	14,053,016	12,358,942	14,642,827	12,773,218
Total Other Financing Sources/Uses	274,993	1,406,142	(103,549)	561,025	501,647



GARLAND COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - ROAD FUND - REGULATORY BASIS  
 DECEMBER 31, 2015  
 (Unaudited)

Schedule 4-2

<u>Road</u>	2015	2014	2013	2012	2011
Total Assets	\$ 4,243,376	\$ 4,064,297	\$ 2,946,895	\$ 2,755,548	\$ 2,571,427
Total Liabilities	129,425	122,358	86,538	101,371	195,028
Total Fund Balances	4,113,951	3,941,939	2,860,357	2,654,177	2,376,399
Net Revenues	5,730,301	5,767,421	4,295,809	4,401,706	4,554,538
Total Expenditures	5,495,897	4,556,509	4,419,324	4,176,878	4,824,789
Total Other Financing Sources/Uses		(130,528)	329,695	52,950	8,336



GARLAND COUNTY, ARKANSAS  
 SCHEDULE OF SELECTED INFORMATION FOR THE LAST FIVE YEARS - OTHER FUNDS IN THE AGGREGATE - REGULATORY BASIS  
 DECEMBER 31, 2015  
 (Unaudited)

Schedule 4-3

<b><u>Other Funds in the Aggregate</u></b>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Total Assets	\$ 34,874,003	\$ 37,220,095	\$ 56,053,086	\$ 61,988,037	\$ 57,465,152
Total Liabilities	3,393,611	5,276,031	4,508,760	3,537,741	3,742,212
Total Fund Balances	31,480,392	31,944,064	51,544,326	58,450,296	53,722,940
Net Revenues	32,519,013	31,155,785	29,824,480	22,921,840	15,259,580
Total Expenditures	36,882,609	52,476,428	36,600,324	17,645,168	14,036,549
Total Other Financing Sources/Uses	3,841,167	1,487,337	(217,356)	(526,793)	41,741,595

